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C O N F I D E N T I A L SECTION 01 OF 02 SHENYANG 000167

SIPDIS

DEPARTMENT FOR EAP/CM  
MOSCOW PASS TO VLADIVOSTOK

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TAGS: [CH](#) [ECIN](#) [ELTN](#) [ETRD](#) [KN](#) [KS](#) [PREL](#) [RS](#)  
SUBJECT: JILIN TRADE FAIRS: CHINESE SELF-ADULATION, LOCAL  
ECONOMY

Classified By: Consul General Stephen B. Wickman. Reasons 1.4(b/d).

¶1. (C) SUMMARY: Trade fairs in Northeast China are becoming larger productions, with aims beyond mere regional cooperation. The Chinese seem to be moving away from the UNDP Greater Tumen Initiative (GTI) begun in the early 1990s to new China-only regional projects. Northeast China's main trade fair presented international themes, much of which had very little to do with Northeast Asia or trade. Jilin's local economy remains stable. END SUMMARY.

¶2. (U) Consul General and ConGenOff participated in Northeast China's principal regional trade fair in Changchun September 1-3. Consul General and ConGenOff also traveled to the Yanbian Korean Autonomous Prefecture August 26-31 to participate in a local trade fair.

GTI PASSING: CHANG-JI-TU IS THE NEW WAY TO GO  
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¶3. (SBU) The Greater Tumen Initiative (formerly known as the Tumen River Area Development Programme or TRADP) epitomizes much of what previous NE China fairs were comprised of: many people making broad proclamations about Northeast Asian cooperation while positing regional, multilateral methods of developing joint transportation corridors and trade zones with little action to move projects forward. TRADP began in 1991 with the objective of creating a joint economic zone where China, Russia, and the DPRK share a border, but after a name change, the addition of Mongolia, and 18 years later, the GTI aims merely, according to the UN's website, to provide a series of multilateral forums "for the member countries to identify and implement regional initiatives that encourage economic growth, improve living standards and contribute to peace and stability in Northeast Asia."

¶4. (C) At the September 1 forum, a visiting Russian parliamentarian spoke about the need to "focus on reality," alluding to the fact that political realities have frustrated most of these trans-border efforts. Later, a Chinese municipal executive secretary from Jilin Province told us that while the GTI and Tumen River development have now been elevated to national-level status, the central government has yet to budget any money for these initiatives.

¶5. (SBU) The trade fair organizers continued to feature the GTI prominently and invited a large UN contingent to attend, but Chinese officials seem to be putting their words and money towards a separate effort called the Chang-Ji-Tu corridor. Chang-Ji-Tu is shorthand for Changchun-Jilin-Tumen, a string of cities from the Jilin provincial capital stretching southeast towards China's border with Russia and North Korea. At both the large regional Changchun trade fair and much smaller Yanbian trade fair, Chinese officials

linked the Chang-Ji-Tu corridor with real, actionable infrastructure projects.

¶6. (SBU) Already home to Jilin's railway to North Korea and a limited-access expressway connecting Changchun with Tumen on the PRC-DPRK border, the Chang-Ji-Tu corridor will be extended to the PRC-Russia border once the expressway reaches Hunchun, the border city linking the three countries, at the end of 2010. The central government is also constructing a high-speed rail line from Changchun to Tumen, reducing a seven-hour journey two and a half hours. Through Chang-Ji-Tu, the Chinese, as opposed to the Russians, Mongolians, and North Koreans, are the only players in the GTI region making actual long-term investments in infrastructure.

#### YANBIAN ECONOMY: REAL ESTATE WOES, NEW SHIPPING LINES?

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¶7. (C) In an August 27 meeting with the Consul General, Yanji Mayor Zhao Zhexue said the Yanbian Korean Autonomous Prefecture's economy was driven by real estate speculation fueled by foreign remittances from workers in South Korea, Japan, and elsewhere. Following South Korea's currency troubles late last year, the Yanji real estate market had experienced a serious slowdown, but Zhao reported the economic situation had stabilized.

¶8. (C) Yanbian Korean Autonomous Prefectural Governor Li Longxi told the Consul General on August 27 that he was working closely with Niigata Prefectural leadership in Japan to develop shipping lines. The Niigata Prefectural

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Government had already contributed some funds to this effort, and Governor Li planned on joining the effort with his own budget. He said currently cargo takes 12 or more days to reach Niigata from Yanbian or Jilin, but a new route through Hunchun and Zarubino would only take two days.

#### TRADE FAIRS: SHOWCASES FOR CHINESE ADVANCEMENT

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¶9. (C) Lengthy presentations in Changchun on South-South Cooperation and the occasional anti-U.S. statement this year suggested that Northeast Asia economic development was not the main focus of Northeast China's largest trade fair. One African keynote speaker, for example, engaged in a minute-long tirade against Western imperialism, contrasting it with the "transparent" and "fair" nature of the Chinese presence in Africa today, saying "the West has no right to criticize China... the West never compensated Africa for its resources... China respects Africa." A more realistic attitude prevailed among the local attendees. A Chinese business contact confided that he was "forced by government officials to attend" and that he and his colleagues viewed such events as purely vanity affairs that did not help businesses.

WICKMAN